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RECORDATION NO. 15563-B
FILED

MAY 22 '03 1:42 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

May 22, 2003

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Bill of Sale and Release of Security Interest, dated May 19, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Union Pacific Equipment Trust No. 1 of 1988 which was previously filed with the Commission under Recordation Number 15563.

The names and addresses of the parties to the enclosed document are:

Trustee: Citibank, N.A.
120 Wall Street, 13th Floor
New York, New York 10005

[Railroad: Union Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179]

Mr. Vernon A. Williams
May 22, 2003
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A description of the railroad equipment covered by the enclosed document is:

100 diesel electric locomotives and 337 railcars, all with UP railcar marks, as specifically set forth in the schedule attached to the document.

A short summary of the document to appear in the index is:

Bill of Sale and Release of Security Interest.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/anm
Enclosures

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SUN. & SE. TRANSPORTATION BOARD

BILL OF SALE AND RELEASE OF SECURITY INTEREST

WHEREAS, by a certain Equipment Trust Agreement, dated as of April 1, 1988, executed by Citibank, N.A., as Trustee (the "Trustee") and Union Pacific Railroad Company (the "Railroad"), there was established the "Union Pacific Equipment Trust No. 1 of 1988" (the "Agreement");

WHEREAS, by the terms of said Agreement, as supplemented from time to time, the Trustee did lease to the Railroad certain units of railroad equipment described in Exhibit A attached hereto (the "Equipment");

WHEREAS, the Agreement was filed on April 5, 1988, under Recordation Number 15563, and a Memorandum of the Agreement was filed on May 6, 1996, under Recordation Number 15563-A, with the Interstate Commerce Commission pursuant to the provisions of 49 U.S.C. Section 11303; and

WHEREAS, the Railroad has paid in full the indebtedness in respect of the purchase price of the Equipment, together with interest and all other payments as provided in the Agreement, and has performed all obligations therein contained with respect thereto.

NOW THEREFORE, the Trustee, in accordance with the provisions of the Agreement, does hereby (a) acknowledge that the Agreement has been satisfied in full with respect to the Equipment; (b) sell, assign, convey, and transfer to the Railroad all its right, title and property interest in the Equipment described in Exhibit A; and (c) release any security interest it may have had in the Equipment described in Exhibit A, to the effect that such Equipment shall be transferred to Railroad free and clear of all liens, charges, liabilities, claims, security interests and encumbrances, of any person whatsoever, created or retained by the Agreement.

IN WITNESS WHEREOF, CITIBANK, N.A., the Trustee, as aforesaid, has caused its corporate name to be hereunto subscribed by its officer thereunto duly authorized this 19th day of May, 2003.

CITIBANK, N.A.

By: [Signature]

Title: President

STATE OF NEW YORK)

) ss:

COUNTY OF NEW YORK)

On this 19th day of May, 2003, before me personally appeared [Signature], to me personally known, who, being by me duly sworn, did say that he/she is [Signature] of CITIBANK, N.A., that the foregoing document was signed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of said instrument was the free act and deed of the corporation.

NANETTE MURPHY
Notary Public, State of New York
No. 01MU6086415
Qualified in Kings County
Commission Expires 1/07

[Signature]
NOTARY PUBLIC

EXHIBIT A

<u>Quantity</u>	<u>Description</u>	<u>Reporting Marks</u>	<u>Road Numbers</u>
75	General Electric model Dash 8-40C 4000 hp. diesel- electric locomotives		9175-9249, inclusive
25	General Motors model SD-60 3800 hp. diesel- electric locomotives		6085-6109, inclusive
171	73' Center partition bulkhead flat cars	UP	273500-273517, 273159-273520, 273522-273554, 273556-273574, 273576-273592, 273594-273611, 273613-273650, 273652-273667, 273669-273674, 273676-273679, all inclusive
117	60'8" Center partition bulkhead flat cars	UP	260100-260142, 260144-260165, 260167-260185, 260187-260219, all inclusive
49	Bi-level autoracks	UP	7716-7736, 7738-7765, all inclusive